BOOK 311 PAGE 236

BOOK 310 PAGE 514

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQUITABLE RESOURCES EXPLORATION

A Division of Equitable Resources Energy Company, a West Virginia

Corporation

RELIEF SOUGHT:

MODIFICATION OF VIRGINIA GAS
AND OIL BOARD ORDER IN VGOB
DOCKET NO. 94-1024-0481 FOR THE
REPOOLING OF INTERESTS IN THE
DRILLING UNIT DESCRIBED IN EXHIBIT
"A" HERETO AND SERVED BY WELL NO.
P-308 (herein "Subject Drilling
Unit") PURSUANT TO VA. CODE
\$ 45.1-361.21, FOR THE PRODUCTION
OF CONVENTIONAL NATURAL GAS FROM
SUBJECT FORMATIONS (herein referred)
to as "Conventional Gas" or "Gas")

LEGAL DESCRIPTION:

DRILLING UNIT SERVED BY WELL NUMBERED P-308 TO BE DRILLED IN THE LOCATION DEPICTED ON EXHIBIT A HERETO, AND AUTHORIZED BY BOARD ORDER IN DOCKET NO. 94-1024-0483, HAYSI QUADRANGLE, SANDLICK MAGISTERIAL DISTRICT, DICKENSON COUNTY, VIRGINIA (the "Subject Lands" are more particularly described on Exhibit "A", attached hereto and made a part hereof)

VIRGINIA GAS AND OIL BOARD

DOCKET NO. 94-1024-0481-01

(Modification of Board Order in VGOB Docket No. 94-1024-0481 Entered 12/12/94 and Recorded in Deed Book 305 at Page 656, Dickenson County, Virginia (herein "Original Pooling Order")

REPORT OF THE BOARD

FINDINGS AND ORDER

- 1. <u>Hearing Date and Place</u>: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on May 16, 1995, Ratliff Hall, Southwest Virginia Education 4-H Center, Abingdon, Virginia.
- 2. Appearances: Mark A. Swartz of Kay, Casto, Chaney, Love and Wise appeared for the Applicant; a written "Objection to Escrow and Adding Additional Owners" was telefaxed to the Board by Henry S. Keuling-Stout of Keuling-Stout in behalf of Harry Anderson and Glenn Anderson during the Board's consideration of this matter at its hearing on May 16, 1995; and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
- 3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting an update of its search of the reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner in Subject Drilling Unit underlying and comprised of Subject Lands and to clarify the ownership of certain tracts lying within Subject Drilling Unit; (2) has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application; and (3) that the persons set forth in Exhibit B hereto have been

BOOK 311 PAGE 237 BOOK 310 PAGE 515

identified by Applicant as owners/claimants of Gas interests underlying Subject Drilling Unit, including those who have not heretofore leased, sold or voluntarily agreed with the Applicant to pool their Gas interests in Subject Drilling Unit. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B, Virginia Code, 1950 as amended. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

- 4. Amendments: Exhibit B to the Original Pooling Order is deleted and Revised Exhibit B, dated 4/5/95, is substituted therefor. The Revised Exhibit B, dated 4/5/95, has been amended to add the interest of potential owners of Tract 12 as revealed to the Applicant by an examination of that certain quiet title action (herein "Quiet Title Action") filed in the Circuit Court of Dickenson County, Virginia, by Harry K. Anderson, C. Glenn Anderson and Ruby Forcum, plaintiffs, against the respondents identified in the Notice of Hearing and in the annexed Exhibit B regarding Tract 12.
 - 5. <u>Dismissals</u>: None.
- Relief Requested: Applicant requests that the Board modify the Original Pooling Order: (1) pursuant to Va. Code § 45.1-361.21, to repool all the rights, interests and estates in and to the Gas of the known and unknown persons listed in Exhibit B hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Gas from the Subject Drilling Unit established for the Lee Sands, Ravencliff, Maxon, Big Lime, Weir, Coffee Shale, Berea and Devonian formations (herein "Subject Formation") underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"); (2) to redesignate Applicant as Unit Operator; (3) to amend the Original Pooling Order by deleting Exhibit B thereto and substituting Exhibit B of this Modification Order and by extending to those unleased persons with potential ownership interests in the Gas in Tract 12 of Subject Drilling Unit a right to elect in accordance with the provisions of this Modification Order; and (4) to authorize Applicant to escrow funds pertaining to claims to production to be allocated to the claimants identified in Exhibit B with regard to Tract 12.
- Relief Granted: The requested relief in this cause be and hereby is granted and: (1) pursuant to Va. Code § 45.1-361.21.C.3, Equitable Resources Exploration (hereafter "Unit Operator") is redesignated as the Unit Operator authorized to drill and operate the well in the Subject Drilling Unit to produce Gas from Subject Formations, subject to the permit provisions contained in Va. Code § 45.1-361.27 et seq., to § 480-05-22.1 et seq., Gas and Oil Regulations and to § 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time; (2) the rights, interests and estates in and to the Gas in Subject Drilling Unit, including those of the known and unknown persons listed on Exhibit B, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, leased or unleased, be and hereby are pooled in the Subject Formations in the Subject Drilling Unit underlying and comprised of the Subject Lands; (3) the Original Pooling Order is amended by deleting Exhibit B attached thereto and substituting Exhibit B of this Modification Order and by extending to those unleased persons with potential ownership interests in the Gas within Tract 12 of Subject Drilling Unit a right of election in accordance with the provisions of this Modification Order; and (4) Applicant is authorized to escrow funds due the lessors, owners and/or claimants to the production allocable to Tract 12 of Subject Drilling Unit until such time as the Quiet Title Action is resolved and/or this Board enters its further order herein.

BOOK 311 PAGE 238 BOOK 310 PAGE 516

Subject Formations

Surface to total depth drilled of 4,885 feet including the Lee Sands, Ravencliff, Maxon, Big Lime, Weir, Coffee Shale, Berea, and Devonian Formations

Unit Size

Approximately 125.66-acre circular drilling unit Permitted Well Location

P-308 (See Exhibit A for location Authorized by Board Order in Docket No. 94-1024-0483) Depth: 4,885 feet Field and Well Classification

No applicable field rules; exception to the requirements of statewide spacing under Va. Code Ann. § 45.1-361.17, granted by the Board in VGOB Docket No. 94-1024-0483

For the Subject Drilling Unit underlying and comprised of the Subject Land Served by Well No. P-308

Dickenson County, Virginia

- 8. Election and Election Period: In the event a potential gas owner within Tract 12, as identified in Exhibit B, has not heretofore reached a voluntary agreement to share in the operation of the well to be located in Subject Drilling Unit at a rate of payment mutually agreed to by said potential Gas owner and the Operator, then such person may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed his written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.
 - 9. Election Options:
 - 9.1 Option 1 To Participate In The Development and Operation of the Drilling Unit: Any unleased person named in Exhibit B as a potential Gas owner within Tract 12, who has not reached a voluntary agreement with the Operator, may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation VR 480-05-22.2, Section 10 (herein "Completed for Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Estimated, Completed-for-Production Costs as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The estimated Completed-for-Production Costs for the Subject Drilling Unit are as follows:

Estimated, Completed-for-Production Costs:

\$272,450.00

A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operator's percentage Interest Within Unit as set forth in Exhibit B times the costs stated immediately above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Estimated, Completed-for-Production Costs as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

Option 2 - To Receive A Cash Bonus Consideration: participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above, any unleased person named in Exhibit B as a potential Gas owner within Tract 12, who has not reached a voluntary agreement with the Operator (herein "Electing Person"), may elect to accept a cash bonus consideration of \$5.00 per net mineral acre owned by such Electing Person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Gas produced from any well development covered by this Order multiplied by the Electing Person's allocable portion of the percentage Interest Within Unit as set forth in Exhibit B (for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person) as fair, reasonable and equitable compensation to be paid to said Electing Person. The initial cash bonus shall become due and owing when so elected and shall be escrowed within sixty (60) days of recording of this Order in accordance with Paragraph 16.3 hereof. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be escrowed within sixty (60) days of said anniversary date in accordance with Paragraph 16.3 hereof. Once the initial cash bonus and the annual cash bonuses, if any, are so escrowed, said payment(s) shall be satisfaction in full for the right, interests, and claims of such Electing Person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

The election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such Electing Person shall be deemed to and hereby does lease and assign any right, interests, and claims he/she may have in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator.

9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above and in

BOOK 311 PAGE 240 BOOK 310 PAGE 518

lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any unleased person named in Exhibit B as a potential Gas owner within Tract 12, who has not reached a voluntary agreement with the Operator, may elect to share in the development and operation of Subject Drilling Unit on a carried basis (as a "Carried") Well Operator") so that the proportionate part of the Completed-for-Production Costs hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Unit Operator until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Costs allocable to the interest of such Carried Well Operator. When the Unit Operator recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development.

The election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the right, interests, and claims of such Electing Person in any well development and operation covered hereby and such Electing Person shall be deemed to have and hereby does assign any right, interests, and claims he/she may have in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Unit Operator for the period of time during which his interest is carried as above provided prior to its reversion back to such Electing Person.

Election of Rights of Heirs of Hazy a/k/a Hazel Anderson, deceased, Crissa a/k/a Chrissey Anderson, deceased, and Mary a/k/a Polly Anderson, deceased (herein collectively "Heirs"): Notwithstanding any provisions to the contrary set forth in this paragraph 9, Heirs' election rights shall be exercised as follows: by Buddy Wallen, the Heirs' guardian ad litem as appointed by order of the Circuit Court of Dickenson County, Virginia, in Chancery Action No. 94-39, which action is now pending before said Court, in conformity with the order of said Court.

Until such time as a binding election is made on behalf of, or by said Heirs, the Applicant shall escrow funds as provided at Paragraph 16.3 below in an amount(s) equal to that which would be required to be escrowed in the event the said Heirs had elected to participate under Option 9.1 above, but in no event less than the amount(s) which would have been required to be escrowed in the event the said Heirs had elected to lease under Option 9.2 above. The Applicant shall notify the Board of the Heirs' election made on their behalf by their guardian. After election, the Applicant may pay funds allocable to the Heirs' interest in escrow in accordance with Paragraph 16.3 hereof.

BOOK 311 PAGE 241 BOOK 310 PAGE 519

All other provisions of this order which are not in conflict with or otherwise inconsistent with the provisions of this Option 9.4 shall apply to the Heirs.

- 10. Failure to Properly Elect: In the event a person entitled to elect fails to do so within the time, in the manner, and in accordance with the terms of this Order one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed development and operation of Subject Drilling Unit and shall be deemed, subject to any final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to Gas in the Subject Drilling Unit to the Unit Operator. Persons who fail to properly elect shall be deemed to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from Subject Formation underlying Subject Lands.
- Default By Participating Person: In the event a person so entitled elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Estimated Completed-for-Production costs as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within sixty (60) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or should have made satisfactory arrangements for the payment When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any 1/8th royalties which would become due pursuant to Paragraph 9.2 hereof.
- 12. Assignment of Interest: In the event a person entitled to make an election is unable to reach a voluntary agreement to share in the operation of the well contemplated by this Order at a rate of payment agreed to mutually by said person and the Operator, and said person elects or fails to elect to do other than participate under Paragraph 9.1 above in the development and operation of the well in Subject Drilling Unit, then such person shall be deemed to have and shall have assigned unto Unit Operator such person's right, interests, and claims in and to said well, in Subject Formations in Subject Drilling Unit, and other share in and to Gas production to which such person qualifies and may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said elections.
- 13. <u>Unit Operator (or Operator)</u>: Equitable Resources Exploration be and hereby is redesignated as Unit Operator authorized to drill and operate Well No. P-308 in Subject Formations in Subject Drilling Unit, all subject to the permit provisions contained in Section 45.1-361.27 et seq., Code of Virginia, 1950 as amended, §§ 480-05-22.1 et seq., Gas and Oil Regulations and §§ 480-05-22.2 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

BOOK 311 PAGE 242 BOOK 310 PAGE 520

Equitable Resources Exploration
P. O. Box 1983
1989 East Stone Drive
Kingsport, TN 37662
Phone: (615) 224-3800
Fax: (615) 224-3892
Attn: Dennis Baker, Regulatory

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of any well covered hereby within three hundred and sixty-five (365) days from the date of the Original Pooling Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then the Original Pooling Order and this Modification Order shall terminate, except for any cash sums becoming payable thereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 P.M. on the date on which any well covered by this Order is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the Petition for Appeal and the final Order of the Circuit Court shall be excluded in calculating the one year period referenced herein.

Upon completion of any well whose costs comprise part of the Estimated Completed-for-Production Costs set forth in Paragraph 9.1 above, and within ninety (90) days after production into the pipeline is obtained and restoration of the location is completed, the Operator shall file with the Board a revised exhibit reflecting the actual Completed-for-Production Costs for the said well.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are a charge against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any well covered hereby has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

16.1 Escrow Account: By this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account, (herein "the Escrow Account") to receive and account to the Board pursuant to its agreement for the escrowed funds described in Paragraph 16.2 below:

Tazewell National Bank
Trust Department
c/o Premier Bankshares Corporation
29 College Drive, P. O. Box 1199
Bluefield, VA 24605-1199
Telephone: (703) 322-2242
Fax: (703) 322-2766

16.2. Escrow Provisions For Unknown or Unlocatable Persons: Except as specifically provided in subparagraphs 16.3 below, any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and, pursuant to Va. Code § 45.1-361.21.D, said sums shall be deposited by the Operator into the Escrow Account, commencing within sixty (60) days of recording of the Original Pooling Order, and continuing thereafter

on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.1-361.21.D.

- 16.3 Escrow Provisions for the Heirs and Other Unleased Persons With Potential Ownership Interests in the Gas in Tract 12 of Subject Drilling Unit: There is currently pending in the Circuit Court of Dickenson County, Virginia, a quiet title action with respect to the ownership of the Gas underlying and/or allocable to Tract 12 of Subject Drilling Unit which quiet title claim was filed by Harry K. Anderson, C. Glenn Anderson and Ruby Forcum, as plaintiffs, against the remaining respondents identified in Exhibit B hereto as claimants within Tract 12 ("Quiet Title Action"). Applicant is authorized to internally escrow those funds pertaining to claims to production allocable to Tract 12 of Subject Drilling Unit for all owners and/or claimants whether known or unknown until such time as ownership of the Gas, and therefore, the identity of the Gas owners entitled to receive any funds coming due hereunder, are determined pursuant to the Quiet Title Action and this Pooling Order is modified accordingly.
 - 17. Special Findings: The Board specifically and specially finds:
 - 17.1 Applicant is a division of Equitable Resources Energy Company, a West Virginia corporation duly authorized and qualified to transact business in the Commonwealth of Virginia;
 - 17.2 Applicant claims ownership of voluntary Gas leases on 80.40 percent of Subject Drilling Unit and the right to explore for, develop and produce Gas from same. The owners/lessors of Tracts 4, 6, 7 and 8, as well as Harry K. Anderson, Single, and C. Glenn Anderson and Phillis Anderson, potential owners of Tract 12, all as listed on Pages 1 and 2 of Exhibit B, have leased their Gas interests in Subject Drilling Unit to Virginia Gas Company (herein "Virginia Gas Company's Lessors"). Virginia Gas Company has entered into a voluntary agreement with the Applicant to participate in Subject Drilling Unit as a Participating Operator by contributing said leased interests in the aforementioned Tracts to Subject Drilling Unit. Therefore, neither Virginia Gas Company nor Virginia Gas Company's Lessors in said Tracts were entitled to make an election pursuant to Paragraph 9 of the Original Pooling Order nor are they entitled to make an election pursuant to Paragraph 9 of this Modification Order, but instead will respectively be bound to each other pursuant to the terms of their voluntary agreements and/or leases of their Gas interests in Subject Drilling Unit.
 - 17.3 Applicant is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
 - 17.4 Applicant has proposed the drilling of Well No. P-308 on the Subject Drilling Unit at the location depicted in Exhibit A to develop the pool of Gas in Subject Formations. The Operator shall not perforate or fracture any coal seam or complete or produce gas from same. The Board granted an exception to the requirements of Va. Code Ann. § 45.1-361.17 by Board Order in VGOB Docket No. 94-1024-0483.
 - 17.5 Set forth in Exhibit B is the name and last known address of each person of record identified by the Applicant as gas and oil owners, within Subject Drilling Unit, including: all the potential owners of Tract 12 who are parties to the Quiet Title Act; those persons who

BOOK 311 PAGE 244 BOOK 310 PAGE 522

have not reached a voluntary agreement to share in the operation of Well P-308 at a rate of payment agreed to mutually by said gas and oil owners and the Operator; and those persons whose Gas interests in Subject Drilling Unit were previously pooled by the Original Pooling Order. Gas interests which were not voluntarily leased to the Operator represent 19.60 percent of Subject Drilling Unit.

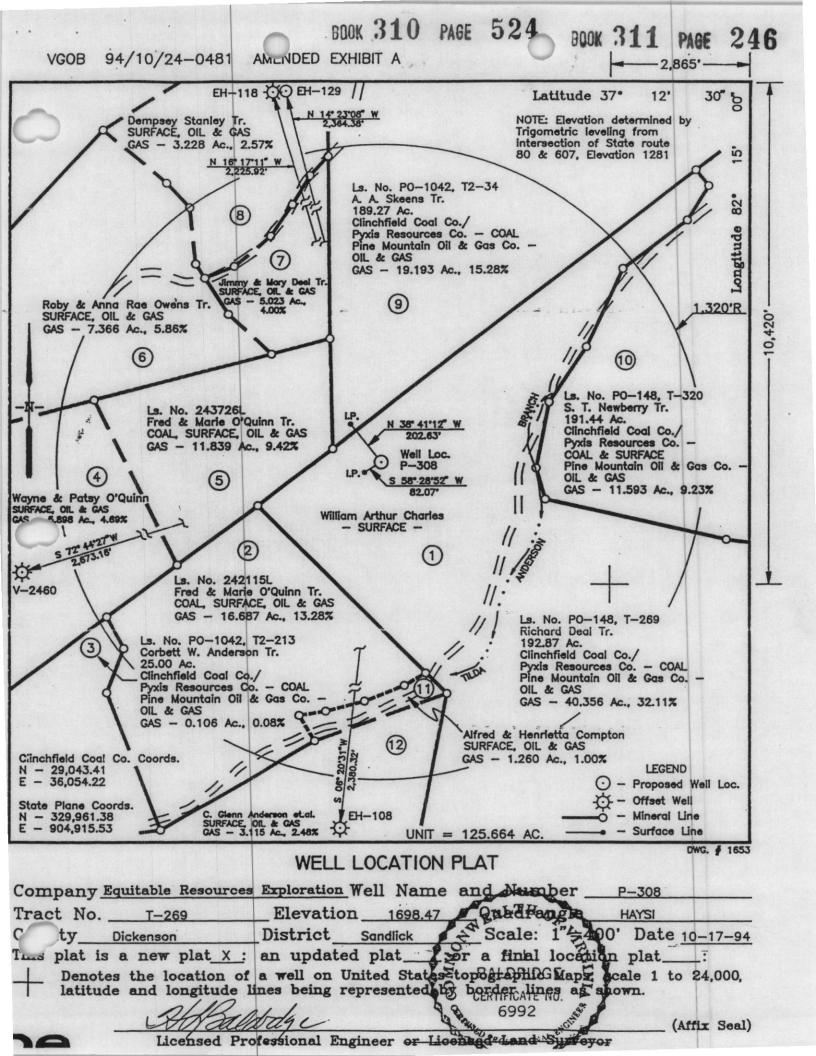
- 17.6 The proposed depth of Well No. P-308 is 4,885 feet.
- The estimated production over the life of the proposed well is .5 17.7
- 17.8 Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in any well covered hereby are those options provided in Paragraph 9 above.
- The Subject Drilling Unit does not constitute an unreasonable or arbitrary exercise of Applicant's right to explore for or produce
- 17.10 The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person in the Subject Drilling Unit the opportunity to recover or receive, without unnecessary expense, each person's just and fair share of the production of the gas and/or oil from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of gas and oil, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.
- Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of receipt of this Modification Order stating that a true and correct copy of said Modification Order was mailed within seven (7) days from the date of receipt to each person repooled by this Modification Order whose address is known.
- 19. Availability of Unit Records: The Director shall provide all persons with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).
- Therefore, the requested relief and all terms and Conclusion: provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- Effective Date: This Modification Order shall be effective on the 21. date of its execution.

DONE AND EXECUTED this 2014 day of a majority of the Virginia Gas and Oil Board,

Chairman, Benny R. Wampler

BOOK 311 PAGE 245 BOOK 310 PAGE 523

DONE AND PERFORMED this 20th day of Auly , 1995, by Order of this Board. Byron Thomas Fulmer Principal Executive To The Staff Virginia Gas and Oil Board
STATE OF VIRGINIA) COUNTY OF WISE) Acknowledged on this 20th day of
of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so. Clark Notary Public Clark Clark Notary Public Clark Clark Notary Public Clark C
My commission expires 12/31/98
COUNTY OF WISE
Acknowledged on this 20 day of



BOOK 311 PAGE 247 EXHIBIT "B"

P-308 VGOB-94/10/24-0481 VGOB-95/05/16-0 REVISED 4/5/95

1	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241490L-01 T-269	32.11%	40.3560
2	Fred O'Quinn and Marie O'Quinn, H/W Star Route 780 Birchleaf, VA 24220	Leased - EREX 242115L - 01	13.28%	16.6870
3	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241640L-01 T2-213	0.08%	0.1060
4	Wayne O'Quinn and Patsy O'Quinn, H/W P. O. Box 78 Birchleaf, VA 24220	Leased - Virginia Gas Co.	4.69%	5.8980
5	Fred O'Quinn and Marie O'Quinn, H/W Star Route 780 Birchleaf, VA 24220	Leased - EREX 243726L - 01	9.42%	11.8390
6	Roby Owens and Anna Rae Owens, H/W Star Route Box 106 Birchleaf, VA 24220	Leased - Virginia Gas Co.	5.86%	7.3660
7	Jimmy Deel and Mary Deel Star Route 768 Birchleaf, VA 24220	Leased - Virginia Gas Co.	4.00%	5.0230
8	Dempsey Stanley and Cathy Sue Stanley, H/W Star Route 104 Birchleaf, VA 24220	Leased - Virginia Gas Co.	2.57%	3.2280

BOOK 311 PAGE 248

P-308 VGOB-94/10/24-0481 VGOB-95/05/16-0 REVISED 4/5/95

9	Pine Mountain Oil & Gas	Leased - EREX	15.28%	19.1930
	Attn: Mr. Richard Brillhart	241640L-01		
	P.O. Box 4000	T2-34		
	Lebanon, VA 24266			
10	Pine Mountain Oil & Gas	Leased - EREX	9.23%	11.5930
	Attn: Mr. Richard Brillhart	241490L		
	P.O. Box 4000	T-320		
	Lebanon, VA 24266			
11	Alfred and Henrietta Compton Estate:			
	Ada Sammons, Single	Leased-EREX	.33%	.42
	Route 1 Box 1050	244909L-01		
	Keeling, VA 24566			
	Danny Compton, Single	Leased-EREX	.33%	.42
	Route 1 Box 1050	244909L-01		
	Keeling, VA 24566			
	Tina Deel and	Leased-EREX	.33%	.42
	Steve Deel, Wife and Husband	244909L-01		
	Route 1 Box 1050			
	Keeling, VA 24566			
12	Harry K. Anderson, Single	Leased - Virginia Gas Co.	1.24%	1.5575
	112 Sullins Road			
	Spruce Pine, NC 28777			
	C. Glenn Anderson and	Leased - Virginia Gas Co.	1.24%	1.5575
	Phillis Anderson			
	1376 Bent Tree Lane			
	Concord, CA 94521			

Parties to quiet title action filed by C. Glen Anderson, Harry K. Anderson and Ruby Forcum in the Dickenson County Circuit Court

Hazy a/k/a Hazel Anderson, deceased, her heirs, successors or assigns Mary a/k/a Polly Anderson, deceased, her heirs, successors or assigns Crissa a/k/a Chrissey Anderson, deceased, her heirs, successors or assigns

Unleased Unleased Unleased

Whose heirs include, among others, the following:

Charles H. Anderson deceased, his heirs, successors or assigns, who include:

BOOK 311 PAGE 249

P-308
VGOB-94/10/24-0481
VGOB-95/05/16-0
REVISED 4/5/95

George Anderson
Mary Anderson
Arlie Anderson
Grace Anderson
Florence Anderson
Stacy Anderson
Edith Faye Anderson
Victor Anderson, his heirs, successors or assigns, who include:

Bill V. Anderson a/k/a Billy Victor Anderson (Sr.) P.O. Box 151 Birchleaf, VA 24220

Paul Anderson P.O. Box 141 Haysi, VA 24256

Elihu P. Anderson, his heirs, successors or assigns, who include:

Virginia Anderson Treadway Box 5098 Laurel, Maryland 20726-5098

Anita Anderson Belcher Box C Haysi, Virginia 24256

Henry Anderson, deceased, his heirs, successors or assigns

- * Buddy Wallen, Esquire Guardian Ad Litem P.O. Box 705 Clintwood, VA 24228
- * Mr. Wallen has been appointed Guardian Ad Litem for all heirs of Hazy a/k/a Hazel Anderson, deceased, Crissa a/k/a Chrissey Anderson, deceased, and Mary a/k/a Polly Anderson, deceased and is listed in this Exhibit for notice purposes.

Oil and Gas Lessee

Virginia Gas Company P. O. Box 2407 Abingdon, VA 24210 Attn: Mike Edwards 0.00%

0.000

TOTAL

100.00%

125.66

P-308
VGOB-94/10/24-0481
VGOB-95/05/16-0
REVISED 4/5/95

BOOK 311 PAGE 250

Percentage of Unit Leased to Applicant Percentage of Unit Unleased to Applicant

80.40% 19.60%

Acreage in Unit Leased to Applicant Acreage in Unit Unleased to Applicant

101.034 24.630

BOOK 311 PAGE 251

This order is being re-recorded to correct an error in the document recorded on July 26, 1995 in Deed Book 310, Page 514 in the Dickenson County Courthouse. The attached Exhibit B replaces the one originally filed with the document.

Diane Davis 8/17/95

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, Aug. 2, 1995. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 11:48 o'clock M, after payment of tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Daris

TESTE: JOE TATE, CLERK
D.

_D. CLERK

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING ELECTIONS, UNIT: P-308 (herein "Subject Drilling Unit") DOCKET NO. VGOB-94/10/24-0481-01

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of \$ 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on July 20, 1995 and recorded in Deed Book 310, Page 514 and Deed Book 311, Page 236 in the Office of the Clerk of the Circuit Court of Dickenson County, Virginia on July 26, 1995 and August 22, 1995, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, \$ 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

- The Board Order directed Equitable Resources Exploration (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;
- (b) The Designated Operator filed its affidavit of mailing dated December 18, 1995, disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;
- (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated December 18, 1995 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii)

BOOK 315 PAGE 015

whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto.
- (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Premier Trust Company, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.
- 3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Premier Trust Company, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.
- 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.
- 5. <u>Conclusion</u>: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 6. <u>Effective Date</u>: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this ______ day of Florenge 1996, by a majority of the Virginia Gas and Oil Board.

Chairman, Benny R. Wampler

STATE OF VIRGINIA)
COUNTY OF WISE)

BOOK 315 PAGE 016

Acknowledged on this st day of February,
1996, personally before me a notary public in and for the Commonwealth of
Virginia, appeared Benny Wampler, being duly sworn did depose and say that
he is Chairman of the Virginia Gas and Oil Board, that he executed the same
and was authorized to do so.
and was authorized to do so.
Susan I Stanto
Susan G. Garrett
Notary Public
My commission expires 7/31/98
151 41
DONE AND PERFORMED this / day of Sebruary 1996 by Order of
this Board.
k 1 A.
Dyron O. Suffrer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board
STATE OF VIRGINIA
COUNTY OF WASHINGTON
, \$ 11
Acknowledged on this day of Turury, 1996,
personally before me a notary public in and for the Commonwealth of
Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say
that he is Principal Executive to the staff of the Virginia Gas and Oil
Board, that he executed the same and was authorized to do so.
Wiane (LWaw)
Diane J. Davis
Notary Public

My commission expires 9/30/97

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Equitable Resources Exploration, a Division of Equitable Resources Energy Company, for Forced Pooling of Interests in Unit for Well No. P-308, VGOB Docket No. 94-1024-0481-01 in the Sandlick Magisterial District of Dickenson County, Virginia

AFFIDAVIT OF DESIGNATED OPERATOR, EQUITABLE RESOURCES EXPLORATION, APPLICANT, REGARDING ELECTIONS, ESCROW, AND SUPPLEMENTAL ORDER

Mark A. Swartz, being first duly sworn on oath, deposes and says:

- 1. That your affiant is a partner of the law firm of Kay, Casto, Chaney, Love & Wise, P. O. Box 517, Abingdon, Virginia, and is duly authorized to make this affidavit on behalf of the designated operator as its attorney;
- That the order entered on July 20, 1995 by the Virginia Gas and Oil Board regarding the captioned Unit required the Applicant to mail a true and correct copy of said order to each person pooled by said order;
- 3. That on September 1, 1995, your affiant caused true and correct copies of the said order to be mailed via the United States Postal Service to each Respondent named in the captioned Application whose interest was pooled by reason of entry of the captioned Order and whose address was known; that copies of the letters of transmittal pertaining to said mailing are being filed herewith with the Gas and Oil Inspector;
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said order was recorded in the county above named; that said order was recorded on August 22, 1995;
- 5. That the Designated Operator and the undersigned have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to this Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period;

Harry K. Anderson and Sharon K. Anderson

see copy of election annexed hereto; however, said persons (Harry K. Anderson and Sharon K. Anderson) were not entitled to elect under paragraph 9 of the Board Order by reason of the fact that their interests and claims were previously leased to Virginia Gas Co. Therefore, their attempt to convert their leased interest to a carried interest is without effect.

6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) and are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia are:

All persons listed as owners or claimants with regard to TRACT 12 in the annexed Exhibit "B";

and that the reason why escrow is required for the above named Respondents is that their title is subject to determination in the quiet title action between and among them which action is pending in the Dickenson County Circuit Court;

BOOK 315 PAGE 018

7. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and are thereby, pursuant to the provisions of the aforementioned Order deemed to have leased to the Designated Operator:

All persons named and listed under the heading TRACT 12 in the annexed Exhibit "B" with the exception of Harry K. Anderson, Sharon K. Anderson, C. Glenn Anderson and Phillis Anderson (who previously leased their interests and claims to Virginia Gas Company);

that the royalty interest decimal for TRACT 12 is set forth in the annexed Exhibit B and is 2.48% and is subject to escrow pending the outcome of the referenced quiet title action;

- 8. That pursuant to the provisions of VR 480-05-22.27.C. and VR 480-05-22.2.8., annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21-D. and 45.1-361.22.A.3. and 4.
- 9. That the annexed Exhibit B reflects updated information regarding the persons pooled by the referenced Modification Order and the initial pooling Order of the Board and should be recorded along with the Supplemental Order.

Dated at Abingdon, Virginia, this 18th day of December, 1998

Mark A. Swartz

Taken, subscribed and sworn to before me by Mark A. Swartz, Attorney of record for Equitable Resources Exploration, Designated Operator, this good day of Acceptable 1995.

My commission expires

May 15, 2000

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
MARY LOU SHINN
910 WEST AVENUE
CHARLESTON, WEST VIRGINIA 2590

Motary Public

EXHIBIT "B" BOOK 315 PAGE 019 P-308 VGOB-94/10/24-0481-01

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACRES IN UNIT	NET REVENUE INTEREST
1	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241490L-01 T-269	32.11%	40.3560	0.04013750 RI
	Equitable Resources Exploration				0.28096250 WI
Tract 1	I Totals		32.11%	40.3560	0.32110000
2	Fred O'Quinn and Marie O'Quinn, H/W Star Route 780 Birchleaf, VA 24220	Leased - EREX 242115L - 01	13.28%	16.6870	0.01660000 RI
	Equitable Resources Exploration				0.11620000 WI
Tract 2	2 Totals		13.28%	16.6870	0.13280000
3	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241640L-01 T2-213	0.08%	0.1060	0.00010000 RI (until 100% payout)
	Equitable Resources Exploration				0.00070000 WI (until 100% payout)
Tract 3	3 Totals		0.08%	0.1060	0.00080000
4	Wayne O'Quinn and Patsy O'Quinn, H/W P. O. Box 78 Birchleaf, VA 24220	Leased - Virginia Gas Co.	4.69%	5.8980	0.00586250 RI
	Equitable Resources Exploration				0.04103750 WI
Tract 4	1 Totals		4.69%	5.8980	0.04690000

P-308 VGOB-94/10/24-0481-01 BOOK 315 PAGE 020

TRACT	T LESSOR		LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACRES IN UNIT	NET REVENUE INTEREST
5	Fred O'Quinn and Marie O'Quinn, H/W Star Route 780 Birchleaf, VA 24220		Leased - EREX 243726L - 01	9.42%	11.8390	0.01177500 RI
	Equitable Resources Explo	oration				0.08242500 WI
Tract	5 Totals			9.42%	11.8390	0.09420000
6	Roby Owens and Anna Rae Owens, H/W HCR 01 Box 775 Birchleaf, VA 24220		Leased - Virginia Gas Co.	5.86%	7.3660	0.00732500 RI
	Equitable Resources Explo	oration				0.05127500 WI
Tract	6 Totals			5.86%	7.3660	0.05860000
07	Jimmy D. Deel and Mary E. Deel Star Route 768 Birchleaf, VA 24220		Leased - Virginia Gas Co.	4.00%	5.0230	0.00500000 RI
	Equitable Resources Explo	oration				0,03500000 WI
Tract	7 Totals			4.00%	5.0230	0.04000000
8	Dempsey Stanley and Cathy Sue Stanley, H/W Star Route 104 Birchleaf, VA 24220		Leased - Virginia Gas Co.	2.57%	3.2280	0.00321250 RI
	Equitable Resources Expl	oration				0.02248750 WI
Tract	8 Totals			2.57%	3.2280	0.02570000

EXHIBIT "B" BOOK 315 PAGE 021 VGOB-94/10/24-0481-01

TRACT	r LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACRES IN UNIT	NET REVENUE INTEREST
9	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241640L-01 T2-34	15.28%	19.1930	0.01910000 RI (until 100% payout)
	Equitable Resources Exploration				0.13370000 WI (until 100% payout)
Tract 9	9 Totals		15.28%	19.1930	0.15280000
10	Pine Mountain Oil & Gas Attn: Mr. Richard Brillhart P.O. Box 4000 Lebanon, VA 24266	Leased - EREX 241490L T-320	9.23%	11.5930	0.01153750 RI
	Equitable Resources Exploration				0.08076250 WI
Tract 1	10 Totals		9.23%	11.5930	0.09230000
11	Alfred and Henrietta Compton Estate Ada Sammons, Single Route 1 Box 1050 Keeling, VA 24566	: Leased-EREX 244909L-01	0.34%	0.4200	0.00041667 RI
	Danny Compton, Single Route 1 Box 1050 Keeling, VA 24566	Leased-EREX 244909L-02	0.33%	0.4200	0.00041667 RI
	Tina Deel and Steve Deel, Wife and Husband Route 1 Box 1050 Keeling, VA 24566	Leased-EREX 244909L-03	0.33%	0.4200	0.00041666 RI
	Equitable Resources Exploration				0.00875000 WI
Tract 1	11 Totals		1.00%	1.2600	0.01000000

EXHIBIT "B" P-308 VGOB-94/10/24-0481-01

BOOK 315 PAGE 022

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACRES IN UNIT	NET REVENUE INTEREST
12	Harry K. Anderson and Sharon K. Anderson, H/W 112 Sullins Road Spruce Pine, NC 28777	Leased - Virginia Gas Co.	1.24%	1.5575	0.00155000 RI
	C. Glenn Anderson and Phillis Anderson, H/W 1376 Bent Tree Lane Concord, CA 94521	Leased - Virginia Gas Co.	1.24%	1.5575	0.00155000 RI

Parties to quiet title action filed by C. Glen Anderson, Harry K. Anderson and Ruby Forcum in the Dickenson County Circuit Court:

Hazy a/k/a Hazel Anderson, deceased, her heirs, successors or assigns

Mary a/k/a Polly Anderson, deceased, her heirs, successors or assigns

Crissa a/k/a Chrissey Anderson, deceased, her heirs, successors or assigns

Unleased

Unleased

Whòse heirs include, among others, the following:

Charles H. Anderson deceased, his heirs, successors or assigns:

George Anderson
Mary Anderson
Arlie Anderson
Grace Anderson
Florence Anderson
Stacy Anderson
Edith Faye Anderson
Victor Anderson

Victor Anderson, his heirs, successors or assigns, who include:

Bill V. Anderson, a/k/a, Billy Victor Anderson (Sr.) P.O. Box 151

Birchleaf, VA 24220

Paul Anderson P.O. Box 141 Haysi, VA 24256

Elihu P. Anderson, his heirs, successors or assigns, who include:

Virginia Anderson Treadway Box 5098 Laurel, Maryland 20726-5098

EXHIBIT "B" P-308

BOOK 315 PAGE 023

VGOB-94/10/24-0481-01

TRACT

LESSOR

INTEREST WITHIN LEASE STATUS UNIT

GROSS ACRES IN UNIT NET REVENUE INTEREST

Anita Anderson Belcher Box C Haysi, Virginia 24256

Henry Anderson, deceased, his heirs, successors or assigns

* Buddy Wallen, Esquire - Guardian Ad Litem P.O. Box 705 Clintwood, VA 24228

* Mr. Wallen has been appointed Guardian Ad Litem for all heirs of Hazy a/k/a Hazel Anderson, deceased, Crissa a/k/a Chrissey Anderson, deceased, and Mary a/k/a Polly Anderson, deceased and is listed in this Exhibit for notice purposes.

Equitable Resources Exploration		0.02170000 WI
Tract 12 Totals	2.48% 3.1150	0.0248
Oil and G	as Lessee	
Virginia Gas Company P. O. Box 2407 Abingdon, VA 24210 Attn: Mike Edwards	0.00% 0.0000	0.0000000
TOTAL	100.00% 125.6640	1.0000000